

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

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STATE OF OKLAHOMA, <i>et al.</i> ,	)	
	)	
<i>Plaintiffs,</i>	)	
	)	
v.	)	Case No. 4:05-cv-00329-GKF-PJC
	)	
TYSON FOODS, INC., <i>et al.</i> ,	)	
	)	
<i>Defendants.</i>	)	
	)	

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**DECLARATION OF WILLIAM H. DESVOUSGES, Ph.D.**

I, William H. Desvousges, hereby state as follows:

1. I am the President of W.H. Desvousges & Associates, Inc., a consulting firm focused on the preparation and evaluation of natural resource damages assessments (“NRDAs”).
2. I have been retained by Defendants in the above captioned matter to provide my expert opinions regarding the NRDAs commissioned by Plaintiffs.
3. I have executed this declaration to correct Plaintiffs’ mischaracterization of my earlier work on the Lower Fox River and Green Bay Site, my work with Dr. Wood published in The Electricity Journal, and my work on the 1992 Exxon Valdez Monograph. Plaintiffs cite to this work in Footnote 12 of their Response to Defendants’ Motion to Exclude Testimony of Stratus Consulting Experts Under F.R.E. 702 as evidence that counterfactuals are common in contingent valuation (“CV”) studies. The implication is that if counterfactuals are common, the hypothetical restoration scenario in Plaintiffs’ study was an acceptable way to measure natural resource damages in this case.
4. This implication cannot be drawn, however, without analyzing the studies cited by Plaintiffs. At a minimum, it is necessary to look at the purpose of the studies, the values

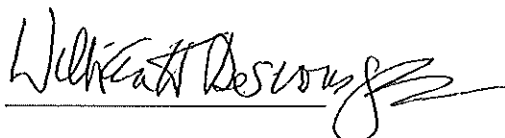
that were measured, the methodologies involved, the information conveyed to the respondents, the impact of the counterfactual on the results of the study, and how the study was used. Plaintiffs fail to identify key differences between my work and their study that render the comparison meaningless.

5. For example, Plaintiffs' hypothetical restoration timeframe impacted their estimated average willingness to pay. None of my cited studies used a hypothetical restoration timeframe. In fact, none of these studies even presented a restoration scenario.
6. As I discussed in my July 7, 2009 declaration, the Fox River study was based on recreational use data and measured use values. A study such as this, involving use values and recreational use choices, has no relevance to the validity of Plaintiffs' counterfactual restoration scenario to measure total values.
7. The Exxon Valdez Monograph involved two methodological experiments aimed at evaluating the validity of CV to measure non-use values. Both experiments demonstrated significant flaws in the ability of CV to measure total or non-use values. The use of this study to support the validity of Plaintiffs' counterfactual restoration scenario to measure total values is completely unfounded.
8. My study with Dr. Wood involved a hypothetical increase in individuals' electricity bills to reduce environmental consequences of power generation. It was intended to provide research to help develop an electricity rate that would be offered to consumers. It did not involve natural resource damages or the purported restoration of natural resources. For these reasons, among others, this study has no relevance to the validity of Plaintiffs' counterfactual restoration scenario to measure total values.

9. Furthermore, none of these studies were prepared for use as evidence in a court of law, and to the best of my knowledge, were never used in litigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 21, 2009.

A handwritten signature in black ink, appearing to read "William H. Desvousges", written over a horizontal line.

William H. Desvousges, Ph.D.